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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 31, 2015

CERTIFIED RETURN RECEIPT

7013 3020 0002 3659 5842

Shain Stoddard
3212 South State Street
Salt Lake City, Utah 84115

Subject: Review of Reclamation Surety, Bill Stoddard; CO-OP Placer Project; S/015/0052; Emery County, Utah

Dear Mr. Stoddard:

The last reclamation cost estimate for the CO-OP Placer Project was done in 2009 and escalated to 2014 dollars. The surety amount needs to be adjusted to account for changes in reclamation costs.

Based on average reclamation costs, the surety amount needs to be increased from \$7,800.00 to \$9,400.00 for a three year escalation or \$9,600.00 for a five year escalation. The average reclamation costs are outlined below:

Small Mine Operation (1-5 acres) Bond Calculation Worksheet			
CO-OP Placer Project S/015/0052			
3-year escalation (2017)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,000.00	\$8,000.00
Add'l Acres Disturbance	0	\$5,000.00	\$0.00
Additional Mob/demob >50 miles	1	\$1,400.00	\$1,400.00
TOTAL			\$9,400.00
5-year escalation (2019)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,200.00	\$8,200.00
Add'l Acres Disturbance	0	\$5,100.00	\$0.00
Additional Mob/demob >50 miles	1	\$1,400.00	\$1,400.00
TOTAL			\$9,600.00

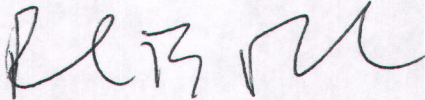
Shain Stoddard
Page 2 of 2
S/015/0052
August 31, 2015

Please contact the minerals bond coordinator, Penny Berry, at 801-538-5291 or by e mail at pennyberry@utah.gov for information about submitting the additional bond. Your current bond is in the form of cash. You may increase the cash deposit, or you may submit a certificate of deposit, a letter of credit, or a surety bond for either the increased or full amount. Bonding forms are available on the Internet at <http://www.ogm.utah.gov/minerals/MINERALIFORMS.htm>.

Please provide the additional surety no later than November 2, 2015.

Thank you for your help in keeping the surety current. Please contact the permit lead for this mine, Wayne Western, at 801-538-5263 if you have questions concerning this requirement.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker', with a stylized flourish at the end.

Paul B. Baker
Mining Program Manager

PBB:whw:pb

cc: Chris Conrad, Price BLM (cconrad@blm.gov)

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